

Subpart D—Payment and Transmittal of Securities

§ 321.11 Payment.

(a) *Examination.* Before making a payment of a security, a paying agent shall examine the security to determine that it is eligible for redemption and is one the agent is authorized to pay under the provisions of this part.

(b) *Identification and evidence of entitlement.* The agent shall determine that the presenter of the security is entitled to request payment, as provided in § 321.7 of this part. Unless the presenter is a person whose identity is well-known to the agent or is an established customer, he or she should be asked to furnish satisfactory identification in accordance with the Treasury instructions and guidelines. At the time of payment, the agent should make a notation on the back of the security, or in its own records, specifying precisely what was relied on to establish the presenter's identity.

(c) *Evidence—Payment to a beneficiary.* The agent shall determine that the presenter of the security as beneficiary is entitled to request payment, as provided in § 321.7(d). In addition to establishing the presenter's identification, as required by paragraph (b) of this section, the agent shall require presentation of the owner's death certificate in accordance with this part and the appendix.

(d) *Evidence—Payment to a legal representative of the last deceased registrant's estate.* The agent shall determine whether the legal representative is entitled to request payment, as provided in § 321.7(f). In addition to establishing the presenter's identification, as required by paragraph (b) of this section, the agent shall require evidence of appointment as well as evidence of the dates of death of all persons named in the registrations of the securities presented. Evidence of the representative's appointment must be either a court certificate or a copy of the letters of appointment, certified to be true and correct under seal of the court or clerk of court. If the original appointment was made more than one year prior to the presentation of the securities it must also bear the court clerk's statement that the appoint-

ment is in full force and effect. This statement must be under seal of the court or clerk of court and dated within six months of the presentation. Such evidence of appointment must pertain to the estate of the last deceased registrant designated on the securities. A copy of a death certificate, certified under seal of the State or local registrar, is the only acceptable evidence of the date of death.

(e) *Execution of request.* (1) The agent shall require:

(i) That the request for payment on the back of each security be signed by the presenter in the presence of one of its officers or authorized employees; and

(ii) That the presenter's address be furnished. Fiduciaries must sign as provided in § 321.7 (e) and (f).

(2) If the agent is qualified under 31 CFR part 330 (Circular No. 888, current revision) and elects to use the special endorsement procedure, the request for payment need not be signed. If the request has already been signed when the security is presented, it should be signed again.

(f) *Certification of request.* An agent is not required to complete the certification to the requests for payment on securities it redeems. When an agent transmits redeemed securities for settlement, as indicated in § 321.14 of this part, such agent shall be understood by such submission to have represented and certified that the identity of the presenter, and his or her entitlement to request payment, have been established in accordance with this part and the appendix hereto.

[53 FR 37511, Sept. 26, 1988, as amended at 55 FR 35396, Aug. 29, 1990; 59 FR 10537, Mar. 4, 1994]

§ 321.12 Redemption value of securities.

The redemption value of each savings security is determined by the terms of its offering and the length of time it has been outstanding. The Bureau of the Public Debt determines redemption values for Series A-E bonds, eligible Series EE and I bonds, and savings notes, that should be used in redeeming savings securities.

[63 FR 38042, July 14, 1998]